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MEMORANDUM

JUNE 18, 1987

TO: BOSTON REDEVELOPMENT AUTHORITY

FROM: WILLIAM WHITMAN, ASSISTANT TO THE DIRECTOR

SUBJECT: HOUSING CREATION PROPOSAL SUBMITTED BY THE
DRUKER COMPANY FOR THE JOHN BOYLE O'REILLY
SCHOOL

EXECUTIVE SUMMARY: The Druker Company as developer of Heritage on the Garden seeks approval of a housing creation proposal which commits \$445,000 payable over 12 years to National Union Senior Citizens Housing II, Inc. for redevelopment of the O'Reilly School in South Boston into 32 units of affordable elderly housing.

On December 18, 1985, the Druker Company entered into a Development Impact Project Agreement (DIP Agreement) with the Boston Redevelopment Authority regarding the project known as Heritage on the Garden which is now under construction by the Druker Company on Boylston Street in Back Bay. That DIP Agreement calls for the Druker Company to satisfy its linkage obligation either through a series of linkage payments or through an approved housing creation proposal.

The Druker Company has submitted a housing creation proposal to dedicate its linkage money to assist the National Association of Government Employees (NAGE) in its effort to redevelop the John Boyle O'Reilly School at 397 Dorchester Street in South Boston into a 32 unit, 100% Section 8 elderly housing development.

NAGE, through its project specific development entity, National Union Senior Citizen Housing II Inc. (NUSCH II), has been designated as developer of the John Boyle O'Reilly School in South Boston by the Boston Public Facilities Department. NAGE has past experience in the development of affordable housing in Boston and other Massachusetts communities.

NAGE proposes to convert the surplus school into 32 units of elderly housing financed by Section 202 funds from the U.S. Department of Housing and Urban Development (HUD). 100% of the units will come with Section 8 subsidy. Thus, tenants will pay no more than 30% of their gross income for rent and utilities. Two units will be one bedroom each designed for

